LNF REGIONAL CONSULATION FORUM
Washington, DC
January 9-10, 2001

Tuesday, January 9, 2001

[In the interest of posting the proceedings expeditiously, spelling of names was not verified thoroughly. Please excuse any misspellings.]

Introduction of LNFWG members present: Howard Roach, OK Area; Rueben Howard, TUC Area; Jim Crouch, CA Area; Bob Hall, Urban Programs from ABD Area; Orie Williams, AK Area; Tom John, NAS Area; Taylor McKenzie NAV Area; Cliff Wiggins, IHS;

[Mickey Peercy, Choctaw Nation of OK]-Reiterated the OK position and cited the OK position paper previously entered into the record. Congress has appropriated new dollars because they like what they see and we need to continue on the same path. The OK position paper is signed by each of the 37 tribal leaders in the OK Area. The funding should be recurring in FY 2001 and future years. The funds should be distributed ASAP. The funds should be sent out per the existing approved formula. Data can be updated but with no major changes to the formula or methodology. There should be no set-aside of these funds for other purposes.

[John Carney, CA Area]-We are having a hard time providing care in California for a lot of reasons. CA has no hospitals so every one has to be sent to an outside provider. This creates a tremendous deficiency especially for Contract Health Services (CHS). Members of seven of 11 tribes in the local unit receive per-capita checks (from gaming revenues?) which often raises income above thresholds for participation in MediCal. However, these people are still the responsibility of the clinic and funds are stretched thin.

[BoBo Dean, Hobbs, Straus, Dean and Walker]-questions whether or not the distribution of IHCIF last year met the requirements of the Congressional intent "identify the most underfunded." He identified the CSC funds as inconsistently counted. He does not believe they should be counted because they are intended to supplement base funding. An adjustment needs to be made in support of tribally operated programs.

Response-R. Howard-CSC is a new issue it first came up in Las Vegas. The LNF WG requested that a small technical team look into the CSC issue and advise the WG on how to handle CSC funds. The CSC technical group will soon meet to advise the LNF WG on how to handle CSC. Mr. Howard asks Mr. Crouch to address the active user and whether or not the definition will change.

Response-J. Crouch-The LNFWG will respond to these concerns but I would like to wait

to allow maximum opportunity for tribal leaders to speak initially.

[Richard Doyle, Governor-Passamaquoddy Pleasant Point-NAS Area]-His tribe and the Penobscot Nation have carefully reviewed the LNF and subsequent reports. They support the concept of trying to identify the level of need. They support the first LNF report as an objective scientific way to determine comparability. However, they do not support using the formula for distribution of health care funding. The major issues revolve around the quality of data including opposing counting of alternate resources, inaccurate user counts, and unreliable and inconsistent data at the OU level. Proposed removing alternate coverage $, counting all users (including users residing outside official boundaries), use latest user counts (1999), run the formula on a regional not OU basis. A copy of this document is provided to the LNF WG.

[Ed Fox-Executive Director NWPAIHB, POR Area]-He brings up the question of whether and how new tribes and the inclusion of them in this formula. Why didn't the LNFWG include new tribes in this funding formula?

Response-C. Wiggins-there is policy that states no other funding bases shall be diminished to fund new tribes. An estimated budget for a new tribe is sought from Congress in its first year as an earmark for that purpose. Congress historically has identified the CHS line-item as the source for first year funding of new tribes. This is the guidance that the Agency has followed for some time.

[Fox]-What will the status be of a new tribe in it's second year of recognition?

Response-J. Crouch-He thinks the tribe will be included in the LNF formula in its second year and thereafter on a basis equivalent to all other tribes-provided they have an identifiable operating unit with an active user base.

[Fox]-is there a way in the next LNF report to address new tribes in the narrative.

Response-J. Crouch-we will look at doing this.

[Doni Wilder, POR Area Director]-Are you saying that the tribe will have to have data in order to be included? Response-Yes. [Wilder]-it will take more than two years for data to be captured.

[Buford Rolin, Poarch Band of Creek Indians, NAS Area]-Mentions Rocky Boy presentation given in Las Vegas and points out that the presentation in its application of the formula and they can show a clear disparity. How will the Rocky Boy report be handled by the LNFWG?

Response-J. Crouch-I understand that Mr. Wiggins has been in contact with Rocky Boy to compare each report. C. Wiggins-He has been in contact with the tribe. To him the

issues are of data, CSC, and explanations from the Area Office. The tribe maintains they are not getting the information they need from their Area office.

[Rolin]-He mentions the new tribes issue and the fact that Asst Secretary Gover of BIA recognized three tribes prior to leaving office and it is important that we address this issue now.

Dr. Trujillo is invited to address the audience.

Dr. Trujillo -Thank you to participants and WG. The process is challenging but important. The amount discussed last year was 10M and has now increased to 40M. He hopes that a process can be built reasonably and objectively. I know the recommendations coming from the LNFWG will come from the tribes and be based upon their expertise. I will try to make the best decision possible based upon input from tribes, the LNFWG. He hopes this fund and others like are the just the beginning point. The strategy should be not only to come to a good process with LNF distribution but to identify other areas of need and receive additional funds for those areas. He is committed to this process of meeting with tribal leaders and their staff as well as IHS staff. Your ideas are critical, your input is essential. Thank you for you participation and the ability to listen to each other. We have the same goal and that is to bring better health care to those people that we serve.

[Tim Martin, Executive Director, USET-NAS Area]-What is the process of the Denver meeting. How will tribes be included in the process?

Response-J. Crouch-He does not anticipate any participation by observers with the LNFWG during the deliberations at this workgroup meeting. The LNFWG will be interacting with each other and the consultants who will be brought in. He does not want to violate any open meeting laws for IHS and does not want to imply that the meeting is a closed meeting. Do you have any recommendations?

[Martin]-thinks tribes should be present to provide clarification of their position during the LNFWG session.

[Carolyn Crowder-AK Area]-There are many different types of health care delivery systems: direct, tribally operated, CHS, etc. AK is limited in the data that they can produce. For instance they do not complete detailed cost reports as generally practiced in the private sector. Data improvements need to be made. Gave AK Area position overview. The document was made available to the Workgroup. AK is unique in how they deliver care. There are not a lot of alternate services available to AK. Ms. Crowder goes over several recommendations from AK regarding the formula. The cost of doing business in AK is extremely high. AK is proposing a 15% adjustment due to extremely remote access issues. They offer a definition of extreme remote. Congress has directed that the LNF formula be used and refined. AK believes that refinement

means addressing imperfections of the LNF formula. AK believes that until the formula is perfected or generally accepted by ALL tribes then each tribe should be treated equally. We have a little bit of money and we are trying to make a system work with that little amount of money. The issue of health status needs to be looked at further and given additional weight. We can not ignore or give little weight to health status since this is contrary to the IHS mission. She uses the wolves fighting over the bones analogy. At minimum, we must give a little bit to even the strongest so that they may maintain their strength. Notes from Flip Chart: AK supports Part 1 study to identify comparability with the US population. Identifies problems with local level application and formula. Proposes "efficiency" adjustment to acknowledge the village aid clinics in the form users/# facilities. Propose additional 15% extreme remoteness cost adjustment for AK – criteria based on whether there is community road access. Proposes setting the allocation threshold at 100%, or possibly a tiered concept in which amounts are targeted to each co-hort of unmet need (40%, 60%, 80%, 100%) but in which all OUs would participate to some degree. Propose futher refinement and enhanced emphasis on health status because that is the strongest basis for advocacy.

[Marilyn Malerba, Mohegan Tribe-NAS Area]-support the USET position paper. The tribe believes that the formula pits tribe against tribe but we must have some objective measure to identify need and for advocacy. Tribes must avoid working against each other. Health status is very important in this formula. The funding should not include other funding resources such as M/M collections. The majority of tribal members are young because they do not live to grow old. She reminds the IHS of their trust responsibility. The trust responsibility also applies to newly recognized tribes.

[Lincoln Bean, AK Area]-I have been out of the loop and looking at a formula I do not understand. AK is one of the most majestic places on the earth but can be the most brutal. AK should not be looked at as one tribe. There are 227 tribes. We should not be fighting over 30M. We should be going to Congress and get more. Do it while we are here this week. People in AK are looking to all of you to make a fair decision. I say the same thing I said twenty years. We need more funding to serve our people. I am catching up today for what you have been doing for over a year. I support the AK position, but we need to speak with one voice and get more funding. We need to speak for the benefit of ALL.

[Kelly Simyatta-AK Area]-He represents a remote island in AK. Is extremely difficult to get to and costly. You can only get to his location by boat or plane. The cost of anything is high, food, fuel and medical care. Recently, their main airline went out of business. He points out the environmentalists who work to save the seals and never mind the people. He can't reconcile the fact that AK go zero last year. He appeals that we can speak with one voice.

J.Crouch-gives an overview of the basis for the formula which is based on the idea of comparability with the Federal Employees Health Benefits (FEHB) Package.

[Tim Martin, Executive Director, USET, NAS Area]-He questions the use of the FEHB and the comparison of health status between beneficiaries. How was inflation addressed.

Response-C. Wiggins-states that actuarial approach was used. This approach projects costs based on type of benefits provided and the characteristics of those covered (age, sex, health). The bottom line was that 18-20 cents on the dollar was added to the projected cost to account for poor health status among Indians. Based on accelerating medical inflation, especially drugs and pharmaceuticals, the benchmark will be inflated by 8.1% over the last year. This is higher than what is allowed in the IHS budget process but it can be applied in this process for comparability. The new cost benchmark will rise from $2,980 to about $3,220.

[Tex Hall, Chairman Three Affiliated Tribes, AB Area]-He appreciates the comments from AK regarding speaking with one voice. AB Area tribes were instrumental in working with their Congressional Reps to obtain and increase to the IHS budget. AB is one of the poorest Areas with the lowest health status. AB has a resolution opposing the LNF formula but not the study. AB Area believes that health status should be weighted heavily and points out that is what Congress directed in the bill language. AB recommends that this formula be used as an interim formula. He believes the formula should include the entire AI/AN population of 2.5M and not just the 1.5M that has been addressed. We must also address the unserved people. AB does not support the inclusion of third party collections offset in the formula. AB does not want to hold up the process and supports this as an interim formula. He wants LNF WG to continue working after the decision this spring.

Response-J. Crouch-Points out that the workgroup in its first letter to Dr. T. recommended that the formula be revisited on a yearly basis.

[Leon Jones, Chief, Eastern Band of Cherokee Indians, NAS Area]-He points out that the Congressional intent says eliminate deficiency not partially eliminate. He does not agree that they are mainstream, he has people dying of diabetes everyday. A cookie cutter approach does not fit every situation. He does not accept the 60% level of funding he wants 100%. He agrees with the lady from AK and the wolves fighting over bones analogy. The $40m IHCIF is crumbs! It is outrageous to think that Indians are healthier because they die younger. We need to speak with one voice to this new administration and get 100% funding. Our people deserve it. He does not want to hold up the process he believes the funding should be distributed in a timely manner.

[Myra Munson, Sonosky Chambers, AK Area]-Is the LNFWG trying to get more information re: third party collections?

Response-J. Crouch-yes they are.

[Munson]-asks Cliff what kind of information they requested and what kind they are getting. Points out that HCFA does not have good data either.

Response-C. Wiggins-This committee says alternate resources should not be included but specific language says they must be included. He points out contradictions in language contained in different laws. We are working with HCFA to obtain data. If you go to HCFAs website you can pull up tables by states listing the amount of payments made on behalf of AI/AN people but the agency has a problem with the data because it not known who is receiving these payments. Another problem is that payments are for services not in the LNF study or part of IHS services. There maybe coding problems as well. Alternate resource issue is ongoing.

[Munson]-in anticipation of the Denver meeting whereby there would not be tribal participation she recommends that Areas have an opportunity to provide technical assistance regarding their position. She reiterates the hardships of the AK area. AK has worked very hard on their proposal. Many Areas are working on proposals and she recommends that these proposals be distributed prior to the Denver meeting. AK would like to refine their proposal to include recommendations from other Areas if possible.

Response-J. Crouch-Asks for clarification regarding the inclusion of only costs covered in the FEHB when looking at third-party collections. He asks how do we include transportation when it is not included in the FEHB.

[Munson]-clarifies the cost of transportation.

[John Carney-CA Area]-He agrees with AB and the fact that good data re: health statistics are not readily available, especially for the local level.

[Cynthia Navarette, AK Area]-asks the co-chairs to respectfully refrain from questioning or judging tribal testimony. The LNFWG is here to listen. Listening is tribal consultation. Mr. Crouch indicates he was attempting to clarify views.

[Stephanie Rainwater Sande-Ketchikan, AK Area]-She points out that many villages in the AK Area are so remote that this is the reason an LNF meeting was not held there. SRS states that ANMC is 800 miles away from Ketchikan by air and 1.5 hours away from Sitka by air. Patients also have to go by boat to the airport in the first place. She goes over Ketchikans position. See copy of the Ketchikan document. (from flip-chart notes) Proposes the AK efficiency factor adjustment, remoteness add-on adjustment, reconsider not counting CSC, use 1999 User counts, that AK data breakdown the separate OUs. She gives remote hospital costs that exceed anchorage by 60%-100% -- (am unsure if source of data was cited).

[BoBo Dean, Hobbs, Straus, Dean and Walker]-points out that although he is here

representing MS Choctaw he has not opposed any recommendations made by his AK clients. He points out that many of the concerns are the same.

[Sharon C., Executive Director, National Council of Urban Indian Health]-points out that the LNF primer notes that Urbans were not included this IHCIF. She questions the Congressional intent and the application of the formula to exclude Urbans from the participating in the IHCIF.

Response-C. Wiggins-The committee chose to follow the language in title I of the IHCIA to apply the formula. Title V funds come down separate for Urbans and the IHCIF funding came down through title I authority.

[Sharon]-she recommends that the clarification be included in the narrative to state clearly that urban projects are not participating in the IHCIF because of the authorizing language.

[Rick Doyle, Governor, Passamaquoddy-Pleasant Point, NAS Area]-He reiterates the trust responsibility. He does not want to fight with other tribes over a small carrot. What is Congress's rationale. He sees trust responsibility as meaning 100% not what we have or even the average of 60%. He wants us to fight together to obtain full funding.

[John Steel, President, Ogala Sioux Tribe, AB Area]-Pine Ridge is getting nothing out of the 40M although it is the poorest county in America. We are quite remote and cover a large area of land. We are no different from other tribes we have diabetes, heart disease and operate on priority one. They can afford only priority 1 care under CHS. He is going to be watching this process which seems to say Pine Ridge is better than average. He believes that this formula may be used to allocate resources in future years as well and that concerns him. He believes that we as Indian people need to stay together on this issue. But he has to make a decision. In the AB Area none of the tribes are or will be self-governance. They hold the US government responsible to provide health care to Pine Ridge and other local programs. That means health care at today's full value. He is going to be pushing for the treaty responsibility to provide health care. He would hate for the new administration to separate tribes into categories of treaty vs. non-treaty tribes. He hopes that a formula that he can support in the future can be developed.

[Carolyn Crowder, AK Area]-earlier Myra Munson had proposed that all relevant materials including the Area positions be posted on the website for informational purposes. Can this be done?

Response-C. Wiggins-he would be willing to do this if the group thinks it would be beneficial. He would request a disk with just the primary position paper be submitted to him. There will be no need to include the background information.

[Myra Munson, AK Area]-clarifies what her request was. She wants the committee to have had ample opportunity to review all related information so as to make an informed decision at the Denver meeting. She believes that the formula is going to be hard to change once it is finalized and she wants to make certain that a good decision is made from the beginning. All information to be considered by the LNFWG has to be available prior to Denver for contemplation.

Response-Cliff responds yes but states we must be mindful of fair and equal treatment of all proposals. He will extract the specific proposals for revising the formula from the large amount of correspondence and post these on the website in advance of the Feb. LNFWG meeting.

Question-J. Crouch-regarding the data and the request for active users...will tribes be able to review and approve the data submitted prior to submission to the LNFWG.

Response-C. Wiggins-they should be participating now as the financial data is developed and as part of the user count verification.

[David Nash-Attorney, Eastern Band of Cherokee, NAS Area]-will the data that is due on the 24th include the user pops?

Response-yes for 1998 user counts. The final deadline date for 1999 user pop is Feb 1.

[Nash]-Will the inflation adjustment (8.1% addition) mentioned earlier be included by the LNFWG in Denver?

Response-yes. J. Crouch-the single biggest factors in the formula are active user counts and available IHS funding.

[Doni Wilder, Area Director, POR Area]-is it being left up to the Areas to define what is an operating unit?

Response-C. Wiggins-It is in the hands of the Areas to determine what is an operating unit based upon the guidance published on the website. Cliff will being doing quality control review on OUs to assure consistency across Areas.

[Rhonda Butcher, Citizen Band of Potowatamie Nation, OK Area]-would like the LNFWG to consider the age adjustment by Area and take into account the differences in each Area. Recommend the adjustment be based upon regional life expectancy.

[Mickey Peercy, OK Area]-recommends that since everything is going slowly that we may want to break into individual tribal caucus'.

[Nash]-suggests that it would be helpful to hear from the LNFWG and what their concerns are.

Questions from a gentleman regarding the poverty factor used.

Response-C. Wiggins poverty is a part of the cost price index which includes three factors: morbidity, mortality and poverty. All are consolidated into a joint index for the whole area. The Area value is then assigned to each OU in the Area.

Howard Roach, OK Area-believes the health insurance model is credible to measure need. Believes that OMB and Congress would have to approve the formula and its basis. User population is an Area of concern for him. Believes that more attention needs to be given to obtaining better data. Believes adjustment factors should be given for those who have elderly populations because it costs more to serve those individuals. Health Status also needs to be looked at closer.

[Charles Coleman, Muskogee Creek Nation, OK Area]-when he was in the military he probably used the Creek facility a few times in two years, but now that he is retired he has used it more often and it has cost 10K. He mentions the actuarial information used and states that it may not be accurate.

Response-C. Wiggins-gives and overview of how the actuary adjusted some information to account for the differential costs of each age group.

[Lincoln Bean, AK Area]-the cost of fuel in his community is 2.35 a gallon in Mr. Simyatta's community it is 11.00 per gallon. Can you imagine the cost of health care? Our doctors are flown out to remote communities. Can you imagine living like that. In areas where we live there are seasonal workers, fishing, construction, etc. These factors need to be looked at for the AK Area.

[Mim Dixon, Executive Director, Cherokee Nation of OK]-what adjustments have been made regarding the dis-economies of scale for the AK Area. Were tele-communications grants for infrastructure included in available resources.

Response-C. Wiggins-All IHS $ related to the benefits package were included. Grants outside the IHS were not.

[Bonnie Bodecker, AK Area]-Does this include IHS tele-medicine funds.

Response-C. Wiggins-Yes, but you should review whether these contribute to providing the benefits package.

[Myra Munson, AK Area]-AK is recommending an efficiency price adjustment and she clarifies the recommendation. It involves considering the number of village clinic

facilities. Proposes dividing OU users by the number of OU facilities as an index. Would also apply to lower 48.

[Simyatta]-gives many instances of the hardship regarding access to health care and the high cost associated with the AK Area.

[Shawn Terry, Cherokee Nation, OK Area]-It takes three months to get an appointment with any of their physicians. Spoke of networking with AK reps to get his patient waiting time down. Says that the real issue in OK is severe $ deficiency translating into severe physician deficiency translating into severe health care shortage. There are more than 38,000 CHS denials in OK for over $50M.

[Peercy]-what we are hearing is that there is not enough money. Each Area has its own unique problems and priorities.

Rueben Howard, TUC Area-agrees with most if not all comments made thus far but it comes down to the need for better data. Concerned that the formula be kept as small as possible due to lack of data. There has to be trust in the data by tribes and the IHS. He is concerned with the third party adjustment. Believes the estimate may be high but an estimate is needed. Believes that everyone should share in the distribution.

[Alma Ransom, Chief, St. Regis Mohawk, NAS Area]-she remembers not so long ago that her tribe was in the same position as the AK Area and was not able to see a doctor unless you extremely ill. She agrees that we are being expected to fight over a bone. We are fighting over the almighty dollar. She is so helpless with the diabetes in her community. They can't eat the fish from their rivers. She does not know whether it is their diet or environment that is causing the problem in her community. She has to look at people and feel their pain and advocate for their needs.

Bob Hall-AB Area-The idea of "pay the rent" is our theme. We have to reeducate the dominate society and ourselves. Land was taken, now we must collect the rent. Insurance premiums went up 10% in this last year for his staff. When we have the budget surplus that is available and we are only getting 10% increases then that is absurd. He goes over the CHS dollars and how one episode of care can take it all. The AB Area operates on priority one. The third party resources go to outside providers because that is where the service is provided. We do not have many elderly. But when you look at our young people and lifestyles they live, they are costly to treat as well. The AB Area has to lowest life expectancy. AB infant mortality is a factor. Babies who are born are lighter or heavier and costlier to treat. LNF accounts for less than 2% of the pie.

Orie Williams, AK Area-He is concerned about the honesty of the data as viewed by tribes and IHS. He hopes that the data can be accurate prior to the deadline so the money can go out on time. He hopes that we can all march on the hill together to

address the inequity. Cost and access to care is a real concern. He believes that a crisis in our delivery system exists. He hopes that who ever gets this money they will spend part of it on prevention and education. He hopes that the funds retain their flexibility to continue to allow for tribal control. The undercurrent of tribes against tribe bothers him and he states that any funding that AK gets as a result of Senator Stevens they will share it with you. He trusts that what we tell him is true and he hopes that we believe what he tells us is true. He hopes that we can work together to develop a something we can all support.

[Carolyn Crowder-AK Area]-She believes there are successes within the IHS. She does not think those who are successful should be faulted. Her corporation trains their own health aids. The patient demand has increased. The IHS once had a standard that piped water was needed for adequate care and many AK communities do not have piped water. She invites any one here to come and visit one of the AK communities and experience what they experience everyday. She does not want there to be any misinterpretation of the uniqueness of each community in AK. We need to come together and recognize that we all are underfunded. Health care is a basic need and tribes should not accept it at a lower standard than available to rest of the US population.

[Hickory Star, OK Area]-he is concerned that those programs who have been successful will be penalized in this process. He has concerns with the user pop data. He does not feel that it is accurate. He agrees that tribes have to stay together on this but the IHS looks to the tribes to be the champions of this process. He appreciates the support of the tribes across the country. We have to educate the people who work on the Hill.

[Rick Doyle]-The LNFWG can use the process of the Area positions to try to address the uniqueness of each Area. He firmly believes that “Unity is Strength”.

[Cherokee Attorney-OK Area]-Reported that actual cost per person for the tribal health plan was about $3,700. This is more than the LNF benchmark for the tribe. Suggests using actual plan costs when available rather than the averages computed from the FEHBP. He questions the step-down of HQ and Area $. Appears as high administrative overhead (comment-the step-down includes program $, not administrative $ exclusively).

Tom John-NAS Area-overview of his concerns with the LNF. He believes the key is development of methods to obtain accurate local data. The formula uses SAIAN data which is twelve years old.

[John Farris, Tahlequah, OK Area]-the benchmark appears to have been lowered due to a younger population. The reality is that AI/AN people are sicker and suffer from debilitating illness at higher rates and younger ages than the general population. Examples were given including a 29-year old male suffering a myocardial infarction.

[Perry Beaver, Chairman, Muskogee Creek Nation, OK Area]-lets quit fighting with each other and get together on the Hill and get more money. The federal government has to live up to their responsibility. No matter how much of the 40M we get it is not going to be enough. There are a lot of needs out there. We are fighting over two percent of the total budget.

[Joe Williams, AK Area]-If you do not speak for your tribe today or tomorrow then who will. He challenges all who are present to speak for their tribes. Why are we here today? Because of the 40M dollars. I have heard over and over that this is not enough. Tribes need to make an appointment with their Congressional representatives and request more money. He is going to this and he challenges others in the room to do the same. AK is the largest state in the Union. There are 229 tribes in AK. We should be looking at 100% care. But what is 100% care is it the 2900 dollars or some other figure?

Response-Cliff suggest advocating using the LNF amount $1.4B based on $3,200 per person as the starting point on which everyone agrees with one voice. This is a very conservative minimum for medical care of those in the system now and comparability with FEHBP is easy to understand. To this must be added $ for Wrap-around programs (sanitation, CHR, etc.), $ for serving a growing population and serving people not accessing Indian health care today, $ for improving and old and inadequate facility infrastructure.

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[John Carney, CA Area]-we are trying to divide a small amount of money. The problem that persists is that if you do really well with prevention and education and have a young and healthy population, then you lose funds. Do we want everyone to be at a low level. We need to receive more funds.

[Leon Jones, Chief, Eastern Band of Cherokee, NAS Area]-Chief Jones reads a resolution passed by the Eastern Band of Cherokee along with the Cherokee Nation of OK. The resolution supported LNF distribution provided that 70% level of need is set. What is the amount needed to get to 70%? Cliff checks the model and answers $485m using 1999 data.

USET POSITION PAPER:
Supports LNF with these conditions: 1) Use for IHCIF only, 2) Allocations are recurring, 3) remove/reconsider how CSC is counted, 4) increase emphasis on health status component.

Bob Hall-AB Area-The LNF is a common and scientific tool to measure level of need. The benefit of this kind of tool is that tribes have a number to take forward to

Congress.

[Marilyn Malerba, Mohegan Tribe, NAS Area]-Cautions that LNF presents a picture that once full funding to the LNF benchmark is achieved then all tribes are fully funded, but that is false. The true need is higher than the 2900 benchmark. Identifies Wraparound needs as well. Reiterates and supports the USET position.

[Carol Anne Heart, Executive Director, Aberdeen Area Tribal Chairman's Health Board, AB Area]-The level of need is misleading because it is not the true level of need. We need to look to the future as well. The funding has to continue to grow to address true needs. We can't leave anyone behind. We are here as advocates to speak for people who can not be here and have the most need.

[Buford Rolin, Vice-Chair, Poarch Band of Creek Indians, NAS Area]-Gave a historical perspective of the IHS budget. IHS went from a 10% deficit in 1997 to an increase of 214M +. USET supports LNF for this year but CSC has to be taken out and more emphasis needs to be placed on disease burden. The LNF needs further discussion prior to being used from year to year. When the present LNFWG term end? Reiterates and supports the USET position.

Response-J. Crouch-The term ends when Dr. Trujillo says it ends. Workgroup members need to be replaced on staggered basis. He supports moving toward an actuarial approach.

[Alma Ransom, Chief, St. Regis Mohawk, NAS Area]-supports the earlier comments from Chief Jones and Vice-Chairman Rolin. She states that this formula be used only for these funds. Commends the LNFWG for the work they are trying to complete. Reiterates and supports the USET position.

[Gentleman from AK, AK Area]-He is puzzled by how the formula was driven and how he can tell some of the communities that he represents that according the LNF they have increased access to care, adequate access to pharmaceuticals, and funding necessary to cover routine health care costs. This is not going to be the case and he will be laughed at. There is a tremendous need, the US is the richest nation in the world yet we continue to provide only triage care for AI/AN people. This is not acceptable.

[Beverly Wright, Chairperson, Wampanoag-Gay Head (Aquinnah), NAS Area]-Her tribe resides on Martha's Vineyard Island and she has empathy for the villages in AK and the high cost associated with living in an isolated location. They are in favor of the LNF for this year only. They want the funds to be recurring with CSC funds backed out of the formula. Reiterates and supports the USET position.

[Tim Martin, Executive Director, USET, NAS Area]-you see our tribes coming forward

and offering a compromise. Our tribes met yesterday and came to the conclusion that this formula was developed to address the needs of those tribes who are on the short end of the spectrum. But on the other hand the tribes who have been successful should not be penalized. The money should be recurring so that those tribes who receive the funds should not have to fight for them again in the next year. The USET tribes believe that health status should be weighed heavier than other components of the formula. This has to be done to raise the health status of AI/AN people. The CSC should be backed out of the formula those tribes who have made the determination to operate their own facilities should not be penalized for doing so.

[Rick Doyle, Passamaquoddy-Pleasant Point, NAS Area]-Reiterates and support the USET position, but adds that we have to stay together in order to be successful.

[Mark Samos, Mashantucket Pequot Tribe, NAS Area]-Reiterates and supports the USET position and states that the formula should be used only for the IHCIF and not other funding sources.

[Pat Knox-Nicola, Penobscot Nation, NAS Area]-Reiterates and supports the USET position.

[Carol Francis-Houlton Band of Maliseet, NAS Area]-reiterates and supports the USET position. She adds that she has worked with the tribal communities for years. The Houlton Band of Maliseet are one of those tribes that according to LNF appears to be fully funded. However, what she sees on a daily basis does not indicate that her people are healthy and fully funded.

Shirley, Mohegan Tribal Council, NAS Area]-reiterates and supports the USET position.

[Bobo Dean, Hobbs, Straus]-represents a village in AK and reiterates their support of the AK position regarding LNF.

[John Carney, CA Area]-supports emphasis on morbidity and mortality but questions what data will be used to ascertain the disease burden. He concerned about under counting of AI/AN people in CA.

Response-C. Wiggins-We need more community level epidemiological data. Community level data that is consistent enough for use in formula does not exist now. Is very expensive and hard to use IHS/Tribal $ to invest in data when patient needs are so high. Suggests promoting that NIH/CDC be pressed to augment data gathering for Indians so that data are as reliable as for other ethnic groups.

[Jerry Haney, Chief, Seminole Nation of OK, OK Area]-Supports the LNF formula and are in agreement that we need more money. The Nation believes that adjustments need to be made to the user population figures. The user counts for the Nation as

currently represented are inaccurate. Use the latest counts and also count the users who reside outside the service area boundaries. 100% funding should be our primary focus.

[Lady from AK, AK Area]- we have heard from many leaders and it seems we are all in the same boat. She supports what has been said. Lets go forward now with what we got while striving to obtain more for our people. We need resources to take better care of our people.

[Perry Beaver, Chief, Muskogee Creek Nation, OK Area]-Begins by saying that we are all underfunded. OK supports LNF but since we are all underfunded, we do not want to take funding from any one else. We need new appropriations. Creek Nation is above 60% LNF and did not get any funding last year, but he was happy for tribes in OK that did participate in IHCIF I. Lets all get together and go to the Hill and get more funding. He points out the new diabetes funding and gives an overview of his personal battle with diabetes and the need for those funds.

[Carolyn Crowder, AK Area]-Acknowledges and supports the position taken by USET on behalf of the AK Area caucus. That the funding be distributed using this formula for this year only, and that health status be looked at and weighed heavier. They also want consideration of an efficiency factor for AK. All tribes should have a stake in these deficiency funds. AK supports a tiered approach to distribution of these funds – greater proportion of the $ to the greatest needs with lesser proportion to those above them but still underfunded as a whole. AK recommends that the LNFWG recommend to Dr. Trujillo that data be refined and verified by tribes prior to the next distribution.

[Aliann Woods, Absentee Shawnee, OK Area]-the tribe supports the position of the OK Area.

[Lincoln Bean, AK Area]-says thank you in several AK dialects. Thanks Dr. Trujillo for having these sessions so that Tribal Leaders can have a voice. States that AK would like to be included in the LNF distribution and then invites the entire LNFWG to AK on the 16th to hear the needs of the AK tribal leaders. He relates a story about the Tlinget and their hosting of the NIHB conference several years ago. We need to stay together and support each other.

[Tim Martin, USET, NAS Area]-I certainly appreciate the gentleman before me and his speaking his native tongue. Unfortunately, my tribe was unable to retain their native language during the removal years. States that USET is willing to assist the IHS to work with the sister agencies and begin receiving services from them as well.

[Julie Davis, Nez Perce Tribal Council, POR Area]-she is speaking for those who can't speak and have lost limbs, eyesight and continue to suffer from illness. The LNF is very important to all of us or we would not be here. Some people lose with this formula and

some win. The tribes in Portland Area feel they are going to lose in the IHCIF formula. Sometimes that is not fair and she is going to have to go back to her people and explain the reason why this has occurred. Dr. Trujillo is going to have to make a decision. The Northwest Portland Area Indian Health Board is going to meet next week and develop a resolution regarding LNF and it will be forwarded to the LNFWG. Ms. Davis asks the LNFWG if the diabetes funds are a part of this formula? ANSWER: NO. She hopes that the LNFWG will consider each of the considerations submitted by each of the Areas. Portland is not happy with the way this is going.

[Mim Dixon, Cherokee Nation, OK Area]-Thanks Buford for the diabetes funding update given. We need to see the connection between the diabetes funds and the diabetes. For instance, Cherokee was going to have to cut services to diabetics but with the LNF funds they will be able to continue to provide diabetes services. She reiterates the need to distribute the diabetes funds as soon as possible.

[Freddy Rundlet, Wampanoag Tribe, NAS Area]-commends the LNFWG and thanks the Tribal Leaders and Dr. Trujillo and staff for their participation. Restates the awesome needs of AI/AN communities by giving a personal story regarding the tribe that he works for. Spoke about both the supply side (limited $) and demand side (health needs). Says the formula is mathematical but not necessarily precise. He identifies the numerous factors that affect the health of people: genes, environment, age, access to care, education, lifestyle, and personal responsibility. New administration should address the governments failures to Indians in economic development, health, education, prevention, mental health.

[Ed Fox, Exec. Dir., NWPAIHB]-gives an example of a staff person reiterating what is happening with LNF to the tribes he works for. Overall, the Portland Areas request for consultation has paid off. Is LNF a tiny slice of the overall appropriation. But it encompasses all of Indian Health and that is big. Portland will lose in this but it is not that big of a deal right now. When the dollars begin to grow it will become a concern. This formula is not precise. It is never wise to leave out a large group of tribes in any formula distribution. Including more tribes in the allocation is wise strategy because more tribes will support it and advocate for more funding. Portland, Alaska and Nashville Areas are largely left out. Portland will respectfully discuss the LNF and develop a position but will respect Dr. Trujillo's final decision.

[Bobo Dean]-He supports all of the comments made thus far and states that many of the concerns are addressed in the Indian Health Care Improvement Act and tribes need to follow this bill through Congress. Mr. Dean states that he has seen an e-mail that states the diabetes funds will be included in the LNF formula.

Response-C. Wiggins-Areas are required to identify diabetes funds to assure that totals match funds allocated by IHS. Diabetes funds were not counted in 1999. Diabetes funds will not be distributed using the LNF formula. Only the committee determines

whether or how much of the diabetes grants funds are consistent with the benefits package, not Cliff Wiggins.

[Dr. Yvette Rubideaux]-Health status needs to be weighted heavier. There are several ways to measure disease burden. She mentions the Diabetes formula and the manner in which health status is measured as an excess of mortality and morbidity. This measure could be used in the LNF formula as well. Encourages the committee to review chronic health indicators and include a clinician in this review. She offers to assist the LNFWG to find a person who can help in this regard. She mentions that she has been named to the Minority Health Council and states that she will reiterate the position of tribes that a tribal leader needs to be appointed to this committee to truly address the government to government relationship.

[Dale Nachreiner, Planner,Lummi Nation] Will need to revisit the basic benchmark to update it annually for inflation (8% this year at minimum). Also average of Indians rise, the cost benchmark must be recomputed to reduce the age based reduction. Also, please consider tobacco usage and obesity as determinants of health care conditions and needs.

[Rhonda Butcher, Citizen Potawatomie Nation, OK Area]-Thanks USET for their compromise and the LNFWG for the work they have done. She reiterates the formula is the best tool we have at this time. Respectfully disagrees with the statement that has been made by some that the funding should be shared by all. At this time the disparity is too great. Perhaps in the future all tribes will share in these funds as the disparity of funding narrows.

[Casey Cooper, Executive Director, Eastern Band of Cherokee Health]-Supports many of the comments made. Especially that the formula is mathematical but not precise. He support Dr. Rubideaux and her suggestion that the cost of treating chronic disease be looked at for inclusion in this formula as a measure of disease burden. LNF is talking about what it costs to treat disease. The LNFWG has to look at the actual cost to treat disease. The tribe supports the USET position.

[Gary Batton, Executive Director, Choctaw Health, OK Area]-Thanks the LNFWG, Dr. Trujillo for their commitment. Thanks USET for their willingness to compromise. Each region has unique differences but we can't lose site of the big picture. The funding needs to be recurring. We do not want to confuse Congress with all the regional differences the bottom line is that we all have needs.

J. Crouch-states that a workgroup has been established to address the CSC issue. In fairness, he gives a counter arguments excluding CSC funds in the LNF formula – many, not all, CSC costs are part of the cost structure of mainstream health plans. Excluding them could be perceived as taken $ off budget inappropriately or artificially understating real unmet needs. This could put credibility of the process at risk. The

other argument is that some CSC $ are for routine overhead costs such as mail, utilities, that are paid on the federal side as well. Comparability and fairness must be an issue.

BUDGET DEVELOPMENT UPDATE: RACHEL JOSEPH-Begins by thanking Dr. Trujillo for his commitment to tribal consultation. While we are thankful for the increases we have received we need to be talking 1.3B. Our focus needs to be on obtaining a larger pie. We need 485M to raise tribes to 70%. Thanks Buford Rolin for the diabetes funds update and especially the hard work he did to get the funding increase in the first place. The true need in Indian country is 18B dollars to address all needs not just personal health services. This includes expanding services to .5m Indians not now served and includes Wrap-around needs. It also includes 8-9B for replacing and expanding aged facilities and infrastructure. Coordination of effort needs to take place between committees and workgroups in all the consultation underway right now. Purpose of the meeting yesterday was to finalize the preparation for the next budget development cycle. She encourages participation of all in the room in their Area budget development process. The current administration may be putting forth a budget covering current spending and an additional percentage to cover the pay cost. Pay cost is rumored to be to cover only federal employees unlike in past years. Also, current services do not take into account future projects that have been partially funded with full funding to be received in outlying years. We are currently looking at a rescission of approximately 6M dollars to pay for the recently passed HHS bill. The budget meeting schedule is currently being established.

[Julia Davis, Nez Perce Tribal Council, POR Area]-submits Ed Fox's same for participation on the CSC sub workgroup. Supports Dr. Trujillo completing his term in the Directorship position.

Dr. Trujillo-gave closing comments which reiterated his thanks and appreciation for the hard work of everyone who took time out to attend these consultation sessions. He spoke at length about the coming challenges and asked tribal leaders to keep the broad picture in mind (economic development, education, health, housing, environment) as we talk to the new leaders in this administration. He closed by expressing his pride in being part of one of the great organizations composed of tribal, urban, and IHS systems.